

ORAL HISTORY OF THE TENNESSEE VALLEY AUTHORITY
INTERVIEW WITH
CARL L. RICHEY

BY - CHARLES W. CRAWFORD
TRANSCRIBER - BRENDA P. MEIER
ORAL HISTORY RESEARCH OFFICE
MEMPHIS STATE UNIVERSITY



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INTERVIEW WITH CARL L. RICHEY

NOVEMBER 17, 1970

BY CHARLES W. CRAWFORD

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PLACE Sacramento, Cal.

DATE November 17, 1970

x *Carl L. Richey*
(Interviewee) *CARL L. Richey*

Charles W. Crawford
(For the Mississippi Valley Archives
of the John Willard Brister Library
of Memphis State University)

THIS IS THE ORAL HISTORY RESEARCH OFFICE OF MEMPHIS STATE UNIVERSITY.
THIS PROJECT IS "AN ORAL HISTORY OF THE TENNESSEE VALLEY AUTHORITY."
THE PLACE IS SACRAMENTO, CALIFORNIA. THE DATE IS NOVEMBER 17, 1970, AND
THE INTERVIEW IS WITH MR. CARL L. RICHEY, FORMERLY WITH THE TENNESSEE
VALLEY AUTHORITY. THE INTERVIEW IS BY DR. CHARLES W. CRAWFORD, DIRECTOR
OF THE MEMPHIS STATE UNIVERSITY ORAL HISTORY RESEARCH OFFICE, AND WAS
TRANSCRIBED BY MRS. BRENDA P. MEIER.

DR. CRAWFORD: Mr. Richey, I suggest we start by summing up in whatever
form you wish your early life before becoming associated with
the Tennessee Valley Authority, and then we'll deal with TVA.

MR. RICHEY: Fine. I was born in Denver, Colorado. My father was
a laundry superintendent there. At about the time between
the 7th and 8th grade, we moved to Cheyenne, Wyoming, and
I graduated there from grammar school as well as from high
school. I didn't know what I wanted to do when I was ready
to get out of high school, but I was encouraged by my
teachers to go on to college because I happened to have the
highest grades among the boys. I was not the valedictorian,
however. Because of my scholastic record I was given a
scholarship to the University of Wyoming. I did not want
to go to Wyoming because, while I didn't expect to get into
any trouble, it was true that whenever anybody from Cheyenne
got into difficulty at the University of Wyoming, the word
was back in Cheyenne practically the next morning, so I

MR. RICHEY:
(Cont'd.)

considered the University of Colorado and the University of Nebraska. I found that all my friends there were fraternity brothers and at Colorado they were known as the "Greasy Grinds" and at Nebraska they were known in their fraternity as the "Athletes". I didn't want to be characterized by my associates. I do not recall how I heard of Antioch; it was probably through one of my teachers. But since I had to pay for all of my own expenses, the cooperative program at Antioch appealed to me.

So I applied for admission, and then went to Antioch because I felt that Antioch was far enough away from Cheyenne. That is the primary reason I went there, plus the fact that there was opportunity for helping to pay my own expenses. I started out studying mechanical engineering. Accordingly, my first cooperative job was as an apprentice draftsman at the National Cash Register Company in Dayton, Ohio. But I began to have reservations about my second year in college on the merits of engineering because I had found that differential calculus was taking half of my study time, and while I got satisfactory grades, I didn't feel that any single course was worth half of my study time.

I stayed out of school between my second and third years because I was unsure as to what I wanted to do. I decided in that year when I went back to Sheridan, Wyoming that I was more interested in people than I was in things

MR. RICHEY:
(Cont'd.)

so I changed my course to general business and liberal arts. Also, during that time I became affiliated with the Harvester Company branch--International Harvester--in Cheyenne, Wyoming so when I went back to school, I worked on the motor truck assembly line of the Harvester Company in Springfield, Ohio. Then I finished up college--I obtained a loan from the Harvester Company to go full time--and they employed me immediately after graduation, in 1928, at the Tractor Works in Chicago, Illinois. After about a year, I was sent to New Orleans at the Binder Twine Mill there to be in charge of industrial relations. That was in 1929.

It was about 1930 that I met my good wife and then in 1932, with the depression coming along--that prevented opportunities for advancement at the International Harvester Company. Accordingly, in the spring of 1932 I did not want the depression to take a couple of years out of my life so I quit my nice office job with a private secretary and got on board a merchant ship as an ordinary seaman at \$26.00 a month. I went to Galveston, Houston, Philadelphia, New York, Aden (then in Arabia), Djibouti (then in French Somaliland), Karachi (then in India), Bombay, Colombo on the Island of Ceylon, Madras, and Calcutta. In Calcutta I was able to take a long weekend and went up to Agra to see if the Taj Mahal was still on the job. It was, and of

MR. RICHEY:
(Cont'd.)

course it still is. Then on the way back I asked the captain for permission to leave the ship at Suez so I could check up on the Sphinx and the Pyramids. While the ship was going through the canal I went across the desert to Cairo and rejoined the ship in Port Said.

When I came back I wanted to get a ship out for China and Japan. Of course, Virginia did not want me to go on the first trip and she didn't want me to go on a second trip. I couldn't get a ship out for China and Japan so I accepted a job with the Louisiana Emergency Relief Administration. This was in the fall of 1932.

Then we decided to get married and we were married on July 1, 1933. In the meantime I had read in the newspaper about the formation of TVA, the author of whom was, of course, Senator Norris of Nebraska. It sounded interesting so I sent in an application for employment to TVA in Washington. Mrs. Richey and I, on our honeymoon, went up to Chicago to the World's Fair and when we came back I was asked if I would be interested in the job of Assistant State Director for the National Reemployment Service in Louisiana, which was just then getting underway. I, as you can see, was fortunate in that I had one job and was offered another job in the depth of the depression. I then sent off a letter to TVA saying I had been offered this other job and got a telegram back from Dr. Reeves

MR. RICHEY:
(Cont'd.)

saying: "You have a job. Will wire salary later after board meeting tomorrow." Well, about August 1st I left New Orleans and reported to TVA in Washington. In other words, a month after I got married I left my wife. I stayed in a boarding house in Washington; Mrs. Richey stayed, of course, in New Orleans.

After about two weeks, Dr. Reeves and I had lunch at the Allies Inn and he said, "Carl, we have decided to make you Director of Employment." I think I had been hired as an assistant in personnel. Then he said, "Do you want to stay here in Washington or do you want to go down and open up the offices in Knoxville?" I said, "Well, Dr. Reeves, I am surprised that a man as young as I has been selected by you to be the Director of Employment. After all, I have looked over the files enough so that I can see where you had many, many men in the personnel field who have far more experience than I do, but I will accept the job. I can only make you one promise: I will do my damndest." I also said, "I want to go to Knoxville because that is where people will be employed. There is where the needs are." So after about two weeks or so in Washington I went down to Knoxville. I asked Dr. Reeves what I should plan on in terms of the personnel for the organization. He said, "We will have 6,000 employees by the end of this fiscal year and you should set up your employment department in order to meet that objective."

MR. RICHEY:
(Cont'd.)

Well, of course, after I got down to Knoxville-- shortly afterwards--the depression becoming more severe, an order was issued to also start construction on Wheeler Dam which is just above Muscle Shoals. So to skip over a bit, instead of having 6,000 employees by the end of the fiscal year, I believe the figure was nearer 15,000 and a few months later it was up to 18,000.

Well, I recruited a staff, and I remember that I geared things up so that we would interview one man every minute in the New Sprinkle Building. It was, of course, just a screening process, and I clearly remember that I had to ask the police to protect the plate glass windows at the New Sprinkle Building because when I opened up for interviews, the line was about two blocks long and filled the whole street. So I just geared up to interview people still faster, and then we managed to get the show on the road. I was, in view of the pressures, going home for dinner at night, then coming back to the office, working until 10, 11, or 12 o'clock. Saturday was just another workday. Sunday I slept late and then went down to the office in the afternoon. I did that because I recognized that the sooner and the harder I worked, the more people could be employed, the sooner. That is why I worked so hard during the early days of TVA. Do you want to stop for a moment? Do you have any questions now?

DR. CRAWFORD: I'll ask a few questions at this point.

MR. RICHEY: Let me fill in a few other things. I remember that one of my first chores, of course, was augmenting the staff in the Employment Department, and accordingly, I had to set salaries. The going rate for stenographers in depression Knoxville was about \$40 or \$50 a month, but I believe the post office and other federal salary scales were about \$100 a month, and I decided that was an appropriate and justifiable pay rate since the TVA was a federal agency.

But you should know that when there was a congressional investigation--oh, about 1937 or 1938--the investigators found that a Carl Richey had gone down to Knoxville, had purchased office furniture, had set salaries, had signed payrolls, and done all sorts of things without any authorization from the Board of Directors. I am under the impression that it took a congressional resolution in order to clear me of the sins that I committed without any authorization whatsoever back in 1933.

The merchants had strongly objected to any pay rate that I might set for stenographers, and of course, that meant clerical personnel, etc.

DR. CRAWFORD: Was that what caused the objection later? The fact that you employed at a rate greater than that in Knoxville?

MRS. RICHEY: That's it.

MR. RICHEY: Yes, yes.

MRS. RICHEY: They said the girls were expected to live home, and why get \$50 additional for them? And that's all they wanted to pay.

DR. CRAWFORD: Was there much resentment of TVA for raising the average salary in the area? For paying national scale wages?

MR. RICHEY: I think originally that there was some resentment, but when the merchants began to reap the benefits of the extra dollars, then their objections seemed to dissipate.

DR. CRAWFORD: Did you find objections because of the area from which you came--local objections--to your work there?

MR. RICHEY: Not particularly because, after all, I wasn't a northerner. I was a westerner. Also, I had spent about four years in New Orleans and my wife was from New Orleans so that I do not recall any real resentment.

DR. CRAWFORD: It seems to me that your qualifications for working in the area with the local people should have been quite

DR. CRAWFORD: acceptable. Do you remember when you arrived in Knoxville (Cont'd.) and opened the employment office?

MR. RICHEY: It was about the middle to the latter part of August.

MRS. RICHEY: About the 15th.

DR. CRAWFORD: I'll try to get the summertime schedule together a little better--about the middle of August, then that you first saw Knoxville?

MR. RICHEY: Yes.

DR. CRAWFORD: You arrived at a very hot time, I'm sure, but since you had been in New Orleans, that probably wasn't new to you.

MR. RICHEY: Actually, the climate in Knoxville is more pleasant than the climate in New Orleans with its heat and humidity, so I enjoyed being in Knoxville.

DR. CRAWFORD: When did you first make application to TVA? Do you remember that?

MR. RICHEY: That would be in the spring of 1933, shortly after the publicity on the legislation appeared in the newspapers.

DR. CRAWFORD: I believe the act was dated about May 17, though of course newspapers were discussing it and speculating earlier. Why were you attracted toward working in TVA?

MR. RICHEY: As I mentioned earlier, the project to develop an entire area sounded tremendously challenging and exciting.

DR. CRAWFORD: Did you find that aided later in employing people? Were others motivated by this feeling too?

MR. RICHEY: I believe so, and also I think that one of the reasons why TVA was able to recruit such a fine array of talent at the significant supervisory levels and major positions--it was amazing how competent engineers who had perhaps earned \$10,000 or \$12,000 in foreign service were willing to come to work for TVA for \$2500 or \$3000 a year. So---the depression was part of the story as far as TVA's ability to recruit exceptional talent. But I'm sure part of it was also the challenge of a regional development program.

DR. CRAWFORD: Do you remember about when you received Floyd Reeves' letter of invitation?

MR. RICHEY: That would be about the early part of July or the middle of July.

MRS. RICHEY: We were in Chicago until July 8th, so that would have been about a week later.

MR. RICHEY: See how good her memory is. We were in Chicago on our honeymoon through the 8th, so it was when we came back that I was offered the job of Assistant State Director for the National Reemployment Service, and immediately got in touch with TVA saying I had another job but TVA sounds more interesting and challenging.

DR. CRAWFORD: Did you apply for a specific job with TVA or did you just make application for a job in general?

MR. RICHEY: I just made application for a job in general. I am sure I indicated the personnel field because I had been engaged in that work for the International Harvester Company.

DR. CRAWFORD: How old were you at that time, in '33?

MR. RICHEY: In 1933 I was twenty-seven, since I was born in 1906.

DR. CRAWFORD: That was extremely young to be given a position of that responsibility. Did you find why Floyd Reeves selected you?

MR. RICHEY: No, I don't know. I never knew. I think when I said, "I'm surprised that you selected me because of my limited experience," I'm sure that Dr. Reeves in his then quiet but forceful way, said "we think you can do the job."

MRS. RICHEY: Oh, he liked young people working.

DR. CRAWFORD: I'm familiar with Floyd Reeves' theory about employment which I think has been borne out very well. I'm sure he noticed your foreign travel if you had it listed, and your experience with International Harvester. Could you have been recommended by someone else? Did you know Arthur Morgan at Yellow Springs?

MR. RICHEY: I believe that Arthur Morgan knew me somewhat as a student, but we were not particularly close or anything of that sort. I did have a respectable grade average at Antioch--something better than a 3.0--maybe a 3.2 on a 4.0 scale--and they probably looked at my record and saw that I had had satisfactory reports on my cooperative jobs. So Arthur Morgan may have had some influence, and the fact that I had been to Antioch may very well have had some effect, but I do not know.

MRS. RICHEY: Wasn't Reeves on the Board at Antioch, too, at that time?

MR. RICHEY: No.

DR. CRAWFORD: What about the location of the office--whether the employment office would be in Knoxville or Washington? That was not settled when you accepted the position?

MR. RICHEY: Well, Dr. Reeves asked me, "Do you want to stay in Washington or do you want to go down and open up the offices in Knoxville?" The New Sprankle Building had been rented, partially, by that time so I said immediately, "Well, Knoxville is where the work has to be done, so I'll go down there."

DR. CRAWFORD: Did you leave any employment responsibilities in Washington? Did you do any hiring there?

MR. RICHEY: I believe that that two-week period was devoted to helping review applications for some other positions in TVA--analyzing them and making recommendations to Gordon Clapp, who was then, of course, Assistant Director of Personnel, but I do not have too strong a recollection of the specific duties I performed in Washington. I think they assigned me chores more to size me up--what my interests and abilities might be.

DR. CRAWFORD: You were there only about two weeks, I believe?

MR. RICHEY: That's correct.

DR. CRAWFORD: Did you get better acquainted with the structure of TVA--the purpose, the people in it at that time?

MR. RICHEY: The organization was still so very much in the formative steps that I am afraid there was not too much in the way of structure at that time. The Board of Directors, for example, had to set my salary and approve my employment as an assistant in personnel. I don't remember what my first salary was.

MRS. RICHEY: There was a 15% cut on all federal salaries, but your original salary was about \$3200.

MR. RICHEY: About \$3200. Well, then the Board of Directors had to make a decision like that while there were many other things more significant that occupied their attention so that almost everything, perhaps except the employment of a clerk, would receive the attention of the Board.

MRS. RICHEY: The set-up was that you would be in charge of employment and Gordon would be in charge of the training program.

DR. CRAWFORD: I know that TVA in the early period was not very much structured. It had a Board, but other than that the

DR. CRAWFORD: organizational chart was rather tentative. They didn't
(Cont'd.) even have a General Manager at first, but a Coordinator.

MRS. RICHEY: That's right.

MR. RICHEY: That's correct.

DR. CRAWFORD: Where did your work fit? Who were you responsible
to directly at the beginning?

MR. RICHEY: Well, at the beginning it was to Dr. Reeves. Then I
believe it wasn't too long before Gordon Clapp was made
Assistant Director of Personnel. However, things were so
hectic in those early days that you didn't pay too much
attention to formal organization structure. There were too
many things to be done that had to be done in a hurry. As
I say, the early days were very hectic and we were more
concerned with getting a job done and getting people to
work than we were with any particular level of responsibility.

DR. CRAWFORD: I know how much work was involved at this time in
creating an agency of that size from nothing in a very short
time, and what a lot of work employment had to do. Did you
start hiring people before you left Washington, or did you
wait until you reached Knoxville?

MR. RICHEY: I believe that I pretty much waited until I got on the scene in Knoxville. For example, I remember one of the men I enjoyed was Ray Crittenden, a local resident, because I felt that he would have many local contacts. In fact, he was the one that I authorized to go ahead and purchase furniture and typewriters and arrange for more telephone service and things of that nature.

DR. CRAWFORD: You exercised a great deal of responsibility which I suppose was not all delegated specifically from the Board. The Board didn't have time to do that, did they?

MR. RICHEY: No, I'm afraid they didn't. They were very well occupied with many other chores, I am sure. In fact I was so busy, and of course, being down in the organization, so I rarely had any contact with Arthur Morgan or Harcourt Morgan or David Lilienthal. Incidentally, I saw Dave just about six or eight months ago. He heads up the Development and Resources Corporation, which Gordon Clapp was with after he left TVA.

DR. CRAWFORD: Yes, that was about the time that I interviewed him, probably last March. Is Walt Seymour the president now?

MR. RICHEY: I do not know.

MRS. RICHEY: What was that question?

MR. RICHEY: Walt Seymour--the president of Development and Resources?

DR. CRAWFORD: I believe he was vice-president when I interviewed him last spring.

MR. RICHEY: Development and Resources Corporation has an office here in Sacramento because they have an agricultural program identified with the University of California at Davis.

MRS. RICHEY: Years later, when Carl wrote to Arthur Morgan on one of his anniversaries, he sent back a note thanking him and he also told Carl, "You don't know this but your name came under discussion in a cabinet meeting with President Roosevelt because Roosevelt, hearing the name Richey, thought that maybe Lawrence Richey, who had been Hoover's former secretary, was the one who had gotten the job as employment director, so Mr. Morgan did clear that up with the President."

MR. RICHEY: Virginia's mention of Herbert Hoover reminds me that one of the reasons why I, since arriving in Sacramento, have been very active in community affairs is because it was Herbert Hoover who said, "Service to humanity is the greatest work in life. Such service is the rent we pay for the space we occupy here on earth." Well, I am not a Herbert

MR. RICHEY: Hoover, of course, but I did adapt his definition to my
(Cont'd.) particular situation. And my definition was "Service to
my community is the rent I pay for the space I occupy in
that community."

DR. CRAWFORD: Well, it was that feeling that led you from engineering
into business and personnel management, wasn't it?

MR. RICHEY: Yes, I guess it was.

DR. CRAWFORD: In your work at Knoxville you had to build an employment
office from its very beginning, and I know you had to
increase the size of it a great deal, which the investigating
committee objected to later. Did all the directors support
you thoroughly? Did anyone feel that you had exceeded your
authority in that?

MR. RICHEY: Actually, at the time of the congressional investigation
I was spending a summer term on my own time at the University
of Chicago. I was pursuing a special course on two subjects.
One was "What is it that makes big organizations tick
effectively?" so I studied books and other matters on
organizations. I remember Henri Fayol's book on the theory
of organization and administration. I also remember a book
by a General Motor's vice president since I wanted to find

MR. RICHEY: out what made a good organization effective. Secondly,
(Cont'd.) I was, by then, participating as a member of the management team in labor union negotiations. The Harvester Company had had no unions in their operations, so I wanted to find out more about the history of organized labor. So that was why I went on my own time to the University of Chicago in a summer term. It was about that time that the congressional investigators were on the ground in TVA so I do not know what support I had from the Board. I certainly know I had support from Dr. Reeves and Gordon Clapp.

MRS. RICHEY: Reeves was already in Chicago.

MR. RICHEY: Yes, I believe that's right. Dr. Reeves, by that time, had left. By the way, I see it's getting to be 10:15. Do you want me to make a call to your airline?

